



# North Central Idaho News

CLEARWATER, IDAHO, LATAH, LEWIS & NEZ PERCE COUNTIES

## ECONOMIC TRENDS

August's seasonally adjusted unemployment rate decreased three-tenths of a point from July to 3.2 percent in the Lewiston metro area. A majority of the new jobs in August were created in the metal fabrication sector of manufacturing. Year-over-year unemployment was also down 1.3 percentage points from last August's rate of 4.5 percent.

## AREA UNIVERSITIES AND COLLEGES

A record 3,612 students were enrolled at Lewis-Clark State College for this fall's term. This represents a 6.5 percent increase over a year ago when the school saw its student population dip by 1 percent. The previous record was 3,471 set in 2003. Student numbers at the University of Idaho were down just 1 percent, a mild dip compared to last year's 6 percent decline. Statewide enrollment was 11,636 with 10,549 of those students on the Moscow campus. Washington State University saw its student body on the main Pullman campus grow by 1.6 percent to 17,583. Statewide numbers were even better at 3.1 percent growth to 24,396. That number was bolstered by the first class of freshmen at the Tri-Cities campus, which this year followed the 2006 transition of the Vancouver campus to a four-year school. Enrollment figures are important because they help determine funding allocations. The more students a school has, the more money it gets. And more students paying tuition and fees also add to a school's revenue.

## AGRICULTURE

According to area farmers, it's raining grains of gold. With worldwide stocks low, regional growers are seeing record returns for their harvested

North Central Idaho Table 1: Lewiston MSA Labor Force & Employment  
Nez Perce County, Idaho and Asotin County, Washington

	Aug 2007*	Jul 2007	Aug 2006	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	29,820	30,040	29,190	-0.7	2.2
Unemployment	960	1,040	1,310	-7.7	-26.7
% of Labor Force Unemployed	3.2	3.5	4.5		
Total Employment	28,860	29,000	27,880	-0.5	3.5
<i>Unadjusted</i>					
Civilian Labor Force	29,550	29,850	28,720	-1.0	2.9
Unemployment	900	910	1,120	-1.1	-19.6
% of Labor Force Unemployed	3.0	3.0	3.9		
Total Employment	28,650	28,940	27,600	-1.0	3.8
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	27,440	27,640	27,560	-0.7	-0.4
<i>Goods-Producing Industries</i>	4,890	4,990	5,030	-2.0	-2.8
Natural Resources & Mining	200	210	210	-4.8	-4.8
Construction	1,700	1,670	1,670	1.8	1.8
Manufacturing	2,990	3,110	3,150	-3.9	-5.1
Wood Product Manufacturing	550	550	560	0.0	-1.8
Paper Manufacturing	1,100	1,100	1,130	0.0	-2.7
Other Manufacturing	1,340	1,460	1,460	-8.2	-8.2
<i>Service-Providing Industries</i>	22,550	22,650	22,530	-0.4	0.1
Trade, Transportation & Utilities	5,540	5,520	5,380	0.4	3.0
Wholesale Trade	670	670	670	0.0	0.0
Retail Trade	3,620	3,610	3,500	0.3	3.4
Utilities	90	90	90	0.0	-0.3
Transportation & Warehousing	1,160	1,150	1,120	0.9	3.6
Information	410	410	400	0.0	2.5
Financial Activities	2,110	2,100	2,010	0.5	5.0
Professional & Business Services	1,640	1,650	1,670	-0.6	-1.8
Education & Health Services	4,450	4,510	4,440	-1.3	0.2
Leisure & Hospitality	2,640	2,630	2,560	0.4	3.1
Other Services	1,170	1,180	1,140	-0.8	2.6
Government Education	2,210	2,290	2,220	-3.5	-0.5
Government Administration	1,600	1,590	2,000	0.6	-20.0
Government Tribes	780	770	710	1.3	9.9

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

wheat. In September, soft white wheat was selling for \$8.88 a bushel — more than a dollar over August's record high. "We're making history right now," Tom Riedner of CLD Pacific Grain in Lewiston said. "The commodities are just incredible. They have never been this high." Simple economics are dictating the jump, which also has had a leav-

ening effect on other commodities such as barley, lentils and peas. Competition from wheat harvests in Europe, Canada and other countries was low this year, and the Australian crop, which won't be harvested until November and December, is expected to be much smaller than average because of prolonged drought. "After six of the last seven years with global consumption exceeding production, coupled with weather problems scattered around the world this year, wheat stocks are low and prices are indeed at an all-time high," said Alan Tracy, president of U.S. Wheat Associates. Soft white wheat prices are more than double a year ago's \$4.14 a bushel.

## AREA DEVELOPMENTS

### IDAHO & LEWIS COUNTIES

- The fire season did have a silver lining. Forest Service firefighter spending gave the Idaho County economy a boost in August. There is no question, says Melinda Fischer, president of the Grangeville Chamber of Commerce, the wildfire season gave the whole area an economic boost. "I know that it really helps the restaurants," Fischer said. "And the hotels were packed. It seems to give them a shot in the arm." Laura Smith, public information officer for the Nez Perce and Clearwater national forests, says the agency tries to keep its business in the local community as much as possible. The agency's buying teams "make every effort to purchase locally," Smith said, "meaning not just Grangeville but all of Idaho County." Plenty of firefighters and people on the fire support teams eat in Idaho County restaurants and buy their groceries at the local markets. But the agency does hire caterers — who bid on the jobs nationally — because "it's more economical to go with a caterer that can go with a campsite because they can accommodate that many personnel," Smith said. The Forest Service does not keep a tally of how much it spends in each of the communities, but so far it has spent \$1.8 million in general supplies for the Rattlesnake Fire south of Dixie and \$1.4 million in general supplies for the Poe Cabin Fire east of White Bird. That does not include how much has been spent for heavy equipment, crew transportation, facilities and vehicles.
- The Nez Perce National Forest offices in Grangeville will move in October. Employees in the supervisor's office, Clearwater Ranger District and the Interagency Dispatch Center will be moving into a new building north of Grangeville. Also included in the move are some Bureau of Land Management and NOAA Fisheries employees. Construction of

the headquarters and warehouse facilities is on schedule. Last October, Harold Mildenerger of Hamilton, Mont., was awarded a 15-year fixed lease at \$742,000 a year with a five-year option on the property south of the Forest Service's Grangeville Air Center. The new building eliminates the need for two sites on the east end of Grangeville the city leases from Blewett, Blewett and Profitt of Grangeville at \$405,000 annually.

### LATAH COUNTY

- Horizon is revamping its fares with the addition of Q400s to its fleet. The company reduced ticket prices by about 50 percent on Sept. 9 from both the Pullman-Moscow airport and the Lewiston/Nez Perce County airport. The change is part of the airline's fare restructuring initiative, which began in July and will affect a number of routes in the Northwest. Horizon Media Relations Manager Jen Boyer said a large factor in the lowered fares is the airline's decision to phase out its 37-seat Dash-8 plane and upgrade to the 70-seat Q400. Boyer isn't sure if the Q400 planes will begin flying into the Pullman-Moscow in 2008 or 2009, but the lowered fares are permanent, no matter the plane. Larger planes are more cost effective and fuel efficient, "which allows us to pass on those savings to our customers," she said. "We're simplifying the fares throughout the system."
- The University of Idaho is doubling the budget of its technology transfer office this year with most of the new revenue being used to add employees. The institution expects the new hires will be paying for their own positions within four years through the money the school receives from the private sector for inventions.
- Schweitzer Engineering Laboratories' new plant in Mexico is expected to create more jobs in Pullman, Wash. Founder and President Ed Schweitzer has announced the start of work in San Luis Potiso, Mexico, on a 100,000-square-foot manufacturing facility — three times larger than a plant the company has outgrown in Monterey, Mexico. Schweitzer said growth in Mexico will translate to growth in Pullman. The number of employees at the new San Luis Potiso facility will likely jump from 150 to 300 in the next few years. They primarily will make and assemble electronic relay panels and control houses. The high-tech components for the panels are designed, created and tested by workers in the company's Pullman headquarters, which employs 1,000. Another 350 employees work at 61 other locations worldwide,

and its products are used in 119 countries across the globe.

#### **NEZ PERCE AND ASOTIN COUNTIES**

- The rivers that surround Lewiston are now beckoning a national audience. National Geographic Adventure has named Lewiston one of its top waterfront destinations – one of the 50 best places to live and play in the United States. The magazine published the listing in its September issue. Lewiston was previously rated one of the six best places to buy a home in a 2006 article by Kendra Todd, a winner of "The Apprentice" television show. That article first appeared on the Yahoo Web site. Las Vegas topped National Geographic Adventure's 2007 listing, which included one city from each of the 50 states. Other Northwest towns on the list included Wenatchee, Wash.; Missoula, Mont.; and Hood River, Ore. The list is broken down into the best mountain towns, small towns, wilderness towns, waterfront towns and cities. Idaho's only seaport was one of nine towns listed among the top for their waterfronts with Waimea, Hawaii, listed as a hot spot. The article named the mile-high walls of Hell's Canyon as the reason Lewiston is on the map.
- Potlatch Corp. is relocating a select group of about 25 managers from its finance office in Lewiston to its executive headquarters in Spokane. "There are no positions being eliminated in association with this relocation," said Mark Benson, Potlatch's vice president of public affairs in Spokane. "Each employee who's affected will have to make a personal decision about whether they choose to relocate or not. Remaining in Lewiston in these positions is not an option." Workers in the Lewiston finance office are in corporate accounting, internal auditing, taxes and information systems. Potlatch is the largest employer in Lewiston, where it has about 2,000 workers at its biggest manufacturing complex. The mill produces lumber, paperboard and tissue products. Benson said the transfers were not a reflection on Lewiston's strategic importance to Potlatch. "This is about efficiency in organizational structure." The company became a real estate investment trust in 2006, a move which provides it certain tax advantages for timber transactions. This is the second significant move Potlatch has made that involves non-hourly employees in less than one year. The company eliminated 37 jobs from its resource group early this year including 20 in Idaho, most of which were in Lewiston.
- In September, a group of 50 boat dealers from the Northwest and Canada toured the newly expanded Thunder Jet manufacturing facility in Clarkston, Wash. The plant has more than doubled in size to 55,000 square feet. The growing appeal of welded aluminum boats for ocean-going excursions is creating a new, lucrative niche. Thunder Jet is adding 20 jobs soon, bringing the number of people it employs to 70 as it completes an \$800,000 expansion of its factory, said company President and Chief Executive Darrell Mills. "The aluminum industry is spreading into salt water," Mills said. "They're saying they're more durable. They last longer than fiberglass." The trend is welcome news for Mills and his employees. Production at the factory had plateaued at between 400 and 500 boats per year, an indication of the stagnation in the traditional markets for welded boats in rivers, streams and lakes, he said. Now the plant is backlogged by about 700 boat orders. The boat manufacturer has designed two special lines to meet the challenges of ocean navigation. One line of 19- to 24-foot boats is almost identical to river vessels except they are self bailing and the sides are a few inches higher. The retail price at \$45,000 is not much higher than what Thunder Jet charges for river models. But Thunder Jet also has introduced 24- to 32-foot boats that run about \$60,000 to \$180,000. The largest models can be at sea for a week at a time. The hulls are shaped to cut through the higher waves with more ease. They sleep six and have combination stoves/heaters that run on diesel to limit the chance of explosions.

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